

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: Chair Elsie Arntzen, on February 16, 2011 at 8:00 AM, in Room 172
Capitol

ROLL CALL

Members Present:

Rep. Elsie Arntzen, Chairman (R)
Rep. Tom Berry, Vice Chairman (R)
Rep. Chuck Hunter, Vice Chairman (D)
Rep. Carlie Boland (D)
Rep. Christy Clark (R)
Rep. Virginia Court (D)
Rep. Lila Walter Evans (R)
Rep. Timothy Furey (D)
Rep. Edward Greef (R)
Rep. Harry Klock (R)
Rep. Jonathan McNiven (R)
Rep. Pat Noonan (D)
Rep. Michele Reinhart (D)
Rep. Matthew M. Rosendale Sr (R)
Rep. Daniel R. Salomon (R)
Rep. Sterling Small (R)
Rep. Cary Smith (R)
Rep. Gordon Vance (R)
Rep. Jeffery W. Welborn (R)

Members Excused: Rep. Scott Reichner (R)
Rep. Carolyn Squires (D)

Members Absent: None

Staff Present: Bart Campbell, Legislative Branch
Sandra Sullivan, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 341, 2/11/2011; HB 342, 2/11/2011; HB 359, 2/11/2011; HB 419, 2/11/2011; HB 432, 2/11/2011; HB 462, 2/11/2011; HB 535, 2/11/2011; HB 540, 2/11/2011

Executive Action: HB 105, HB 540, HB 394, HB 275, HB 416, HB 464, HB 342, HB 359, HB 419, HB 432 and HB 535

HEARING ON HB 341

Opening Statement by Sponsor:

00:03:04 Rep. Cary Smith (R), HD 55, opened the hearing on HB 341, Revise interest payments in civil cases.

Proponents' Testimony:

00:04:09 Rep. Reichner arrived.

EXHIBIT(buh38a01)

00:06:25 John Bennion, Montana Chamber of Commerce

EXHIBIT(buh38a02)

00:08:58 Mark Baker, Attorney, American Tort Reform Association (ATRA) and Law Firm Anderson, Baker and Swanson

00:12:08 Steve Wade, Montana Collectors Association and Montana Interlocal Authority

00:12:50 Aidan Myhre, Flathead Chamber of Commerce

00:13:42 Bruce Spencer, Lawyer

00:14:16 Steve Turkiewicz, Montana Bankers Association

Opponents' Testimony:

00:14:44 Elizabeth Best, Lawyer

00:18:18 Al Smith, Montana Trial Lawyers Association

00:21:30 Mary Phippen, Montana Magistrates Association

Informational Testimony:

00:22:33 Ms. Phippen, Montana Association of Clerks of District Courts

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:23:30 Rep. Smith

HEARING ON HB 540

Opening Statement by Sponsor:

00:25:00 Rep. Jerry O'Neil (R), HD 3, opened the hearing on HB 540, Revise laws relating to administration of control of alcoholic beverages.

Proponents' Testimony: None

Opponents' Testimony:

00:25:25 Rick Ask, Gambling Control Division, Department of Justice (DOJ)

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:26:00 Rep. O'Neil

EXECUTIVE ACTION ON HB 540

00:26:15 **Motion/Vote:** Rep. Berry moved that **HB 540 BE TABLED**. Motion carried unanimously by voice vote present and voting

HEARING ON HB 342

Opening Statement by Sponsor:

00:26:49 Rep. Cary Smith (R), HD 55, opened the hearing on HB 342, Revise appeal bonds in civil cases.

Proponents' Testimony:

00:28:11 Mr. Bennion

00:30:08 Mr. Baker

00:31:03 Ms. Myhre

Opponents' Testimony:

00:31:43 Ms. Best

00:33:24 Mr. Smith

Informational Testimony:

Questions from Committee Members and Responses:

00:35:42 Rep. Clark

00:36:11 Mr. Baker

00:36:50 Vice Chairman Hunter

00:37:00 Mr. Baker

00:37:18 Chairwoman Arntzen

00:37:24 Mr. Baker

00:38:07 Chairwoman Arntzen

00:38:11 Mr. Baker

00:38:51 Rep. Reinhart

00:39:05 Mr. Baker

00:39:27 Rep. Reinhart

00:39:56 Ms. Best

00:41:10 Rep. Reinhart

00:41:30 Ms. Best

Closing by Sponsor:

00:42:25 Rep. Smith

HEARING ON HB 359

Opening Statement by Sponsor:

00:43:37 Rep. Gordon Vance (R), HD 67, opened the hearing on HB 359, Revise workers' compensation law on settlements & lump-sum payments.

Proponents' Testimony:

00:44:22 Rick Clark, Plumb Creek Timber Company
00:47:01 Mr. Spencer
00:47:13 Kevin Braun, Montana State Fund
00:47:30 Mr. Bennion
00:48:16 Mr. Smith
00:49:45 Patrick Heffernan, Montana Wood Products Association
00:50:19 Vicki Cocchiarella, Montana Medical Association

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:51:39 Rep. Vance

HEARING ON HB 432

Opening Statement by Sponsor:

00:52:38 Rep. Tom Berry (R), HD 45, opened the hearing on HB 432, Allow banks to offer debt cancellation programs-exempting from insurance law.

EXHIBIT(buh38a03)

Proponents' Testimony:

00:55:24 Mr. Turkiewicz
00:59:12 Steve Yeakel, Montana Independent Bankers Association
00:59:35 Clyde Dailey, Montana Credit Unions

Opponents' Testimony: None

Informational Testimony:

01:00:37 Lorraine Schneider, Staff Attorney, Division of Banking, Department of Administration (DOA)

Questions from Committee Members and Responses: None

Closing by Sponsor:

01:01:06 Rep. Berry

01:01:18 Meeting recessed

01:16:17 Meeting resumed.

HEARING ON HB 419

Opening Statement by Sponsor:

01:16:35 Rep. Bill Beck (R), HD 6, opened the hearing on HB 419, Generally revise captive insurance law.

Proponents' Testimony:

01:20:43 Brenda Olson, Chair, Montana Captive Insurance Association

[EXHIBIT\(buh38a04\)](#)

[EXHIBIT\(buh38a05\)](#)

[EXHIBIT\(buh38a06\)](#)

[EXHIBIT\(buh38a07\)](#)

01:29:11 Steve Matthews, Captive Insurance Coordinator, Commissioner of Insurance

01:29:43 John Huth, Board, Montana Captive Insurance Association

01:30:47 Roger McGlenn, Attorney Protection Liability Society (APLS)

01:31:40 Mr. Turkiewicz

01:32:52 Mr. Bennion

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

01:33:13 Rep. Furey

01:33:47 Rep. Beck

Closing by Sponsor:

01:34:21 Rep. Beck

HEARING ON HB 535

Opening Statement by Sponsor:

01:35:27 Rep. Austin Knudsen (R), HD 36, opened the hearing on HB 535, Revise uniform limited liability partnership act.

Proponents' Testimony:

01:37:32 Prof. Kristen Juras, Chair, Business, Estates, Trust, Tax and Real Property
Section, Montana State Bar

[EXHIBIT\(buh38a08\)](#)

Opponents' Testimony: None

Informational Testimony:

01:42:45 Tana Gormely, Business Services something, Secretary of State (SOS)

Questions from Committee Members and Responses:

01:43:49 Rep. Reichner
01:44:24 Rep. Knudsen
01:44:35 Prof. Juras
01:45:15 Rep. Reichner
01:45:29 Prof. Knudsen
01:46:05 Rep. Squires arrived.
01:46:14 Rep. Hunter
01:46:37 Prof. Juras
01:47:43 Rep. Hunter
01:48:07 Prof. Juras
01:48:34 Chairwoman Arntzen
01:48:46 Mr. Campbell
01:49:18 Ms. Gormely
01:49:32 Chairwoman Arntzen
01:49:39 Ms. Gormely
01:50:17 Rep. McNiven
01:50:56 Prof. Juras
01:51:51 Rep. McNiven
01:52:00 Prof. Juras

Closing by Sponsor:

01:52:10 Rep. Knudsen

HEARING ON HB 462

Opening Statement by Sponsor:

01:52:51 Rep. Michael (Mike) More (R), HD 70, opened the hearing on HB 462, Prohibit contractor bid shopping with respect to subcontractors.

Proponents' Testimony:

01:57:06 Carl Schweitzer, Montana Subcontractors' Association
02:01:31 Nic Bair, Project Manager, Three Brothers Plumbing and Heating
02:02:33 Jerry Cooper, Copper Masonry

Opponents' Testimony:

02:04:06 Bob Heberly, Dick Anderson Construction
02:08:38 Rita Rehbein, Riverside Contracting

EXHIBIT(buh38a09)

02:13:16 John Ostlund, Yellowstone County Commissioner
02:15:30 Shawn Hollenback, Mountain West Holding Company
02:16:24 Jim Drishinski, Business Manager, James Talcott Construction
02:21:08 Steve Wade, Montana Contractors Association

EXHIBIT(buh38a10)

Informational Testimony:

02:23:33 Russ Kathaman,

Questions from Committee Members and Responses:

02:27:50 Rep. Smith
02:28:30 Ms. Rehbein
02:29:12 Mr. Heberly
02:29:27 Rep. Smith
02:30:08 Mr. Heberly
02:30:36 Mr. Drishinski

Closing by Sponsor:

02:31:10 Rep. More

02:34:44 Recessed
02:47:00 Resumed
02:47:05 Rep. Evans and Rep. Greef did not return.

EXECUTIVE ACTION ON HB 105

02:48:09 **Motion:** Rep. Berry moved that **HB 105 DO PASS.**

Discussion:

02:48:16 Chairwoman Arntzen
02:48:46 Vice Chairman Hunter
02:49:19 Rep. Squires
02:50:21 Chairwoman Arntzen
02:50:24 Rep. Reinhart
02:51:42 Rep. Welborn

02:51:59 **Vote:** Motion carried 11-10 by roll call vote with Rep. Arntzen, Rep. Berry, Rep. Clark, Rep. Evans, Rep. Greef, Rep. Reichner, Rep. Rosendale, Rep. Salomon, Rep. Smith and Rep. Vance voting no. Rep. Evans and Rep. Greef voted by proxy.

02:53:30 Mr. Campbell

02:54:43 **Motion:** Rep. Arntzen moved to **RECONSIDER THE MOTION** on **HB 105.**

Discussion:

02:55:19 Rep. Noonan

02:55:35 **Vote:** Motion carried 17-4 by roll call vote with Rep. Court, Rep. Furey, Rep. Noonan and Rep. Reinhart voting no. Rep. Evans and Rep. Greef voted by proxy.

02:56:43 **Motion:** Rep. Berry moved that **HB 105 DO PASS.**

02:56:52 **Motion:** Rep. Clark moved that **HB 105 BE AMENDED.**
EXHIBIT(buh38a11)

Discussion:

02:57:12 Rep. Hunter
02:58:05 Rep. Reinhart
02:59:21 Rep. McNiven

02:59:51 **Vote:** Motion carried 11-10 by roll call vote with Rep. Arntzen, Rep. Boland, Rep. Clark, Rep. Court, Rep. Furey, Rep. Noonan, Rep. Reichner, Rep. Reinhart, Rep. Rosendale and Rep. Smith voting no. Rep. Evans and Rep. Greef voted by proxy.

03:00:56 **Motion/Vote:** Rep. Reichner moved that **HB 105 BE TABLED.** Motion carried 12-9 by roll call vote with Rep. Boland, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Noonan, Rep. Reinhart, Rep. Small, Rep. Squires and Rep. Welborn voting no. Rep. Evans and Rep. Greef voted by proxy.

03:03:07 Vice Chairman Hunter
03:03:33 Chairwoman Arntzen

EXECUTIVE ACTION ON HB 275

03:04:29 **Motion:** Rep. Reichner moved that **HB 275 DO PASS.**

Discussion:

03:04:45 Rep. Reichner
03:07:08 Rep. Rosendale

03:07:36 **Vote:** Motion carried 14-7 by roll call vote with Rep. Boland, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Noonan, Rep. Reinhart and Rep. Squires voting no. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 394

03:08:58 **Motion:** Rep. Noonan moved that **HB 394 DO PASS.**

Discussion:

03:09:11 Rep. Salomon
03:10:13 Chairwoman Arntzen
03:10:19 Rep. Salomon
03:10:25 Rep. Noonan
03:13:14 Rep. Furey
03:13:57 Rep. Noonan
03:14:06 Chairwoman Arntzen
03:14:52 Rep. Clark
03:16:04 Rep. Berry
03:16:40 Rep. Court

03:17:38 Rep. Rosendale

03:18:36 **Vote:** Motion failed 10-11 by roll call vote with Rep. Berry, Rep. Boland, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Klock, Rep. Noonan, Rep. Reinhart, Rep. Squires and Rep. Welborn voting aye. Rep. Evans and Rep. Greef voted by proxy.

03:19:44 **Motion/Vote:** Rep. Berry moved that **HB 394 BE TABLED AND THE VOTE REVERSED**. Motion carried 14-7 by voice vote with Rep. Boland, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Noonan, Rep. Reinhart and Rep. Squires voting no. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 416

03:21:14 **Motion:** Rep. Klock moved that **HB 416 DO PASS**.

Discussion:

03:21:40 Mr. Campbell

03:21:49 **Motion/Vote:** Rep. Klock moved that **HB 416 BE AMENDED**. Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

EXHIBIT(buh38a12)

03:22:11 **Motion:** Rep. Klock moved that **HB 416 DO PASS AS AMENDED**.

Discussion:

03:22:24 Rep. Clark

03:23:27 **Vote:** Motion carried 14-7 by roll call vote with Rep. Boland, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Noonan, Rep. Reinhart and Rep. Squires voting no. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 464

03:25:03 **Motion:** Rep. Berry moved that **HB 464 DO PASS**.

Discussion:

03:25:10 Rep. Squires
03:25:38 Chairwoman Arntzen
03:26:35 Rep. Squires
03:26:39 Rep. Hunter
03:27:17 Rep. Reinhart
03:28:18 Rep. Court
03:31:59 Chairwoman Arntzen

03:32:02 **Vote:** Motion carried 13-8 by roll call vote with Rep. Boland, Rep. Clark, Rep. Court, Rep. Furey, Rep. Hunter, Rep. Noonan, Rep. Reinhart and Rep. Squires voting no. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 342

03:33:59 **Motion:** Rep. C. Smith moved that **HB 342 DO PASS.**

03:34:19 **Motion:** Rep. C. Smith moved that **HB 342 BE AMENDED.**

EXHIBIT(buh38a13)

Discussion:

03:34:25 Mr. Campbell
03:35:05 Rep. Smith
03:35:09 Rep. Reinhart
03:35:56 Chairwoman Arntzen

03:36:16 **Vote:** Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

03:36:34 **Motion/Vote:** Rep. Clark moved that **HB 342 DO PASS AS AMENDED.** Motion carried 17-4 by voice vote with Rep. Boland, Rep. Court, Rep. Noonan and Rep. Squires voting no. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 359

03:37:00 **Motion:** Rep. Vance moved that **HB 359 DO PASS.**

Discussion:

03:37:44 Vice Chairman Hunter
03:38:06 Mr. Campbell

03:39:06 **Vote:** Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 419

03:40:11 **Motion/Vote:** Rep. Berry moved that **HB 419 DO PASS.** Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 432

03:40:39 **Motion:** Rep. Berry moved that **HB 432 DO PASS.**

03:40:49 **Motion/Vote:** Rep. Berry moved that **HB 432 BE AMENDED**. Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

EXHIBIT(buh38a14)

03:41:20 **Motion/Vote:** Rep. Berry moved that **HB 432 DO PASS AS AMENDED**. Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

EXECUTIVE ACTION ON HB 535

03:42:19 **Motion:** Rep. Berry moved that **HB 535 DO PASS**.

Discussion:

03:42:21 Rep. Reinhart

03:43:25 **Vote:** Motion carried unanimously by voice vote. Rep. Evans and Rep. Greef voted by proxy.

ADJOURNMENT

11:45:30 Adjournment:

Sandra Sullivan, Secretary

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Additional Documents:

EXHIBIT([buh38aad.pdf](#))